

Imagine Austin

Late Backup

Compact and Connected

The creation of a "Compact and Connected" Austin promotes "complete communities" that improve:

Sustainability

- By significantly reducing the average number of miles driven per day by automobile, we reduce pollution and conserve energy
- More compact, urban development patterns, in contrast to more sprawling, suburban development, provide huge gains in water conservation and energy conservation
- More compact, less sprawling development increases opportunities for preservation of natural habitat and open space in appropriate areas, for preservation of the aquifer, and for land preservation generally

Household Affordability

- Promoting more living units per square mile generates an increased housing supply, resulting in lower rents and lower purchase prices
- By decreasing the number and length of automobile trips and by making public transit more efficient and more available, we reduce transportation expenses for more households
- Compact and connected development lowers utility costs per household by decreasing typical monthly usage and by allowing far more cost-efficient construction and maintenance of utility infrastructure
- More cost-efficient utility and transportation infrastructure reduces taxes and reduces the need for additional bond issuance, thus increasing household affordability

Life Quality

- A more compact and connected city encourages more walking, bicycling and other healthy outdoor physical activity
- A more compact and connected city increases opportunities for human interaction, and reduces the social and cultural fragmentation created by sprawl
- A more compact and connected city allows more of Austin's citizens to share in a common identity and a common experience, and results in a higher quality and more interesting, more inspiring built environment, thus promoting a sense of belonging and a shared sense of collective pride in our community



CHAPTERS



CNU 20: THE NEW WORLD

MEMBERSHIP

ABOUT

EVENTS

JOIN

DONATE

CONGRESSES

LOGIN

INITIATIVES

RESOURCES

AWARDS

Search

CHARTER OF THE NEW URBANISM

NEWS

CONNECT

The Congress for the New Urbanism views disinvestment in central cities, the spread of placeless sprawl, increasing separation by race and income, environmental deterioration, loss of agricultural lands and wilderness, and the erosion of society's built heritage as one interrelated community-building challenge.

We stand for the restoration of existing urban centers and towns within coherent metropolitan regions, the reconfiguration of sprawling suburbs into communities of real neighborhoods and diverse districts, the conservation of natural environments, and the preservation of our built legacy.

We advocate the restructuring of public policy and development practices to support the following principles: neighborhoods should be diverse in use and population: communities should be designed for the pedestrian and transit as well as the car; cities and towns should be shaped by physically defined and universally accessible public spaces and community institutions; urban places should be framed by architecture and landscape design that celebrate local history, climate, ecology, and building practice.

We recognize that physical solutions by themselves will not solve social and economic problems, but neither can economic vitality, community stability, and environmental health be sustained without a coherent and supportive physical framework.

We represent a broad-based citizenry, composed of public and private sector leaders, community activists, and multidisciplinary professionals. We are committed to reestablishing the relationship between the art of building and the making of community, through citizen-based participatory planning and design.

We dedicate ourselves to reclaiming our homes, blocks, streets, parks, neighborhoods, districts, towns, cities, regions, and environment.

We assert the following principles to quide public policy, development practice, urban planning, and design:

The region: Metropolis, city, and town

1) Metropolitan regions are finite places with geographic boundaries derived from topography, watersheds, coastlines, farmlands, regional parks, and river basins. The metropolis is made of multiple centers that are cities, towns, and villages, each with its own identifiable center and edges. 2) The metropolitan region is a fundamental economic unit of the contemporary world. Governmental cooperation, public policy, physical planning, and economic strategies must reflect this new reality.

The neighborhood, the district, and the corridor

- 10) The neighborhood, the district, and the corridor are the essential elements of development and redevelopment in the metropolis. They form identifiable areas that encourage citizens to take responsibility for their maintenance and evolution.
- 11) Neighborhoods should be compact, pedestrian friendly, and mixed-use. Districts generally emphasize a special single use, and should follow the principles of neighborhood design when possible. Corridors are regional connectors of neighborhoods and

The block, the street, and the building

- 19) A primary task of all urban architecture and landscape design is the physical definition of streets and public spaces as places of shared use. 20) Individual architectural projects should be seamlessly linked to their surroundings. This issue transcends
- 21) The revitalization of urban places depends on safety and security. The design of streets and buildings should reinforce safe environments, but not at the expense of accessibility and openness.

- 3) The metropolis has a necessary and fragile relationship to its agrarian hinterland and natural landscapes. The relationship is environmental, economic, and cultural. Farmland and nature are as important to the metropolis as the garden is to the house.
- 4) Development patterns should not blur or eradicate the edges of the metropolis. Infill development within existing urban areas conserves environmental resources, economic investment, and social fabric, while reclaiming marginal and abandoned areas. Metropolitan regions should develop strategies to encourage such infill development over peripheral expansion.
- 5) Where appropriate, new development contigu- ous to urban boundaries should be organized as neighborhoods and districts, and be integrated with the existing urban pattern. Noncontiguous development should be organized as towns and villages with their own urban edges, and planned for a jobs/housing balance, not as bedroom suburbs.
- 6) The development and redevelopment of towns and cities should respect historical patterns, precedents, and boundaries.
- 7) Cities and towns should bring into proximity a broad spectrum of public and private uses to support a regional economy that benefits people of all incomes. Affordable housing should be distributed throughout the region to match job opportunities and to avoid concentrations of poverty.
- 8) The physical organization of the region should be supported by a framework of transportation alternatives. Transit, pedestrian, and bicycle systems should maximize access and mobility throughout the region while reducing dependence upon the automobile.
- 9) Revenues and resources can be shared more cooperatively among the municipalities and centers within regions to avoid destructive competition for tax base and to promote rational coordination of transportation, recreation, public services, housing, and community institutions.

- districts; they range from boulevards and rail lines to rivers and parkways.

 12) Many activities of daily living should occur within walking distance, allowing independence to those who do not drive, especially the elderly and the young. Interconnected networks of streets should be designed to encourage walking, reduce the number and length of automobile trips, and conserve energy.
- 13) Within neighborhoods, a broad range of housing types and price levels can bring people of diverse ages, races, and incomes into daily interaction, strengthening the personal and civic bonds essential to an authentic community.
- 14) Transit corridors, when properly planned and coordinated, can help organize metropolitan structure and revitalize urban centers. In contrast, highway corridors should not displace investment from existing centers.

 15) Appropriate building densities and land uses should be within walking distance of transit stops, permitting public transit to become a viable

alternative to the automobile.

- 16) Concentrations of civic, institutional, and commercial activity should be embedded in neighborhoods and districts, not isolated in remote, singleuse complexes. Schools should be sized and located to enable children to walk or bicycle to them.
- 17) The economic health and harmonious evolution of neighborhoods, districts, and corridors can be improved through graphic urban design codes that serve as predictable guides for change.
- 18) A range of parks, from tot-lots and village greens to ballfields and community gardens, should be distributed within neighborhoods. Conservation areas and open lands should be used to define and connect different neighbor- hoods and districts.

- 22) In the contemporary metropolis, development must adequately accommodate automobiles. It should do so in ways that respect the pedestrian and the form of public space.
- 23) Streets and squares should be safe, comfort- able, and interesting to the pedestrian. Properly configured, they encourage walking and enable neighbors to know each other and protect their communities.
- 24) Architecture and landscape design should grow from local climate, topography, history, and building practice.
- 25) Civic buildings and public gathering places require important sites to reinforce community identity and the culture of democracy. They deserve distinctive form, because their role is different from that of other buildings and places that constitute the fabric of the city.
- 26) All buildings should provide their inhabitants with a clear sense of location, weather and time. Natural methods of heating and cooling can be more resource-efficient than mechanical systems.
- 27) Preservation and renewal of historic buildings, districts, and landscapes affirm the continuity and evolution of urban society.
- Congress for the New Urbanism

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Translations of the Charter in Hindi and other languages are forthcoming

CNU members ratified the Charter of the New Urbanism at CNU's fourth annual Congress in 1996. Applying valuable lessons from the past to the modern world, it outlines principles for building better communities, from the scale of the region down to the block. View also the Canons of Sustainable Architecture and Urbanism, a companion document that builds on the Charter's vision of sustainability.

Table 1. Environmental Sustainability Comparison of Downtown High-Rise and Suburban Development

*This chart compares the "environmental footprint" of a downtown high-rise condo community with (1) a typical suburban single family community, and (2) a similarly priced luxury suburban community.

	Urban Condo Project	Typical Suburban Single-Family Project	Similarly Priced One-Acre Lot Project		
Number of Units	200	200	200		
Acreage Consumed for Project	Under 3/4 of an acre	Between 57 and 70 acres (between 3 and 3.5 units per acre with roads and drainage)	220 to 230 acres (approximately one-acre lots with roads and drainage)		
Impervious Coverage Percentage of Total Project Total Acres of Impervious Coverage	100 percent 3/4 of an acre	45 percent 26 to 32 acres	15 to 45 percent 29 to 87 acres		
Landscape Water Usage	Zero Landscaping irrigated with rainwater collection system and A/C condensation collection system.	15,600,000 gal/year Typical standard lot uses approximately 78,000 gallons per year of potable water for irrigation.	40,000,000 gal/year Typical one-acre lot uses at least 200,000 gallons per year of potable water for irrigation.		
Electricity Usage	\$10 to \$60 per month Energy efficient design; green building, smaller size; using city chilled water system for A/C.	app. \$100 to \$300/mo. or more This usage will vary greatly depending on the size of the home and multiple A/C units per home.	\$250 to \$450 per month Typical higher usage with larger-size housing and separate and multiple A/C units per home.		
Taxable Value Per Acre	Over \$80 million to \$150 million per acre, depending on value of units.	Approximately \$700,000 to \$1,225,000 per acre assuming an average home value of approximately \$200,000.	Approximately \$1 million per acre assuming an average home value of approximately \$1 million.		

Source: Lower Colorado River Authority and Terry Mitchell

Good Evening Councilmembers and Mayor. My name is Jonathan Stilley and I am here on behalf of CNU to speak in favor of the City's comprehensive plan, and specifically about how the creation of a "Compact and Connected" Austin promotes "complete communities" that improves upon Household Affordability.

Household affordability is a function of many things and as you know, we are fortunate enough here in Austin to be bucking the national trends in Real Estate. But with those benefits come great responsibilities.

Home Prices

Refer to Slide 2

<u>Page 2</u> - You may have seen it in the Statesman recently that Austin has become a "Seller's Market". Median sales prices are up and inventory is DOWN. And while this is good for people selling their homes and arguably, good for the tax base, it drives prices up, which has a large impact on Household Affordabilty. Right now, we are having a housing inventory issue in Austin. With estimates between 480 and 750 permanent residents per week moving to Austin (and projected to do so for the next 30 years), we are already starting to see the effects that this increased demand is having on our housing stock.

Refer to Slide 3

<u>Page 3</u> As you can see, The available inventory of homes for sale in Austin has dropped 26.8% in comparison to last year's April <u>and</u> this is in the height of the selling season. There should be MORE people putting their houses on the market.

Refer to Slide 4

<u>Slide 4</u> So as the inventory decreases and demand increases, prices go up. In fact the median price is UP by 8%.

One of the solutions to this supply and demand issue is to increase supply. More compact development and using more infill is going to increase the housing supply in any given area, and that is going to apply downward pressure on rents and housing purchase prices, making them more affordable.-

Transportation-

Refer to Slide 5

<u>Page 5</u> By decreasing the number and length of automobile trips and by making public transit more efficient and more available, we reduce transportation expenses for more households

Recently, Austin was ranked as the 8th most congested metropolitan city in the NATION

When you talk about Household Affordability, it's important to consider all of the "controllable" components that make up and define that term.

The traditional measure of affordability recommends that housing cost no more than 30 percent of income. Under this view, three out of four (76 percent) US neighborhoods are considered "affordable" to the typical household. However, that benchmark ignores transportation costs, which are typically a household's <u>second largest</u> expenditure. In today's world, a true view of affordability is one that combines housing and transportation costs and sets the benchmark at no more than 45 percent of household income. Under this view, the number of affordable neighborhoods drops to 28 percent, resulting in a net loss of 86,000 neighborhoods that Americans can truly afford.

So, where does Austin stand?

Refer to Slide 6

<u>Slide 6</u> When you look at household affordability without the cost of transportation, you can see on the slide where the yellow is considered affordable housing costs (less than 30% of the household income) while blue is more than 45% of the household income and considered above affordable

Refer to Slide 7

<u>Page 7</u> But when you add in the cost of transportation to the location (gas, auto maintenance, etc) you can quickly see how Austin's transportation issues are affecting affordability.

Refer to Slide 8

<u>Page 8</u> The difference is abundantly clear when placed side by side. Again, the BLUE areas are considered above affordable or MORE than 45% of the household income is going to household costs.

Another important thing to remember is that by reducing the time residents spend in automobiles, stuck on MoPac, or I35 or 183, the more time they have for productive work. More work equals more income; which means more money to spend on housing and its related costs. This makes more homes affordable.

Refer to Slide 9

Page 9 Compact and connected development also lowers utility costs per household by decreasing energy usage and by allowing far more cost-efficient construction and maintenance of utility infrastructure

More cost-efficient utility and transportation infrastructure reduces the need for additional bond issuance, thus reducing the pressure to increase property taxes.

Refer to Slide 10

I am sure you are familiar with the engineer study recently completed on costs of infrastructure spending. Specifically, it compares the costs of allowing the city to continue to develop as it currently and historically has (with a a more sprawl type development) vs the preferred type of compact and connected development.

Refer to Slide 11

<u>Slide 11</u> They project that the additional infrastructure costs to the city of doing nothing and letting development continue like it is will cost the city between 4.8 and 21.5 BILLION dollars. Or put another way, we can save between 4.8 and 21.5 BILLION dollars of nondiscretionary spending by just pursuing the ideas of Imagine Austin.

Refer to Slide 12

<u>Slide 12</u> Finally, compact development provides smaller, and therefore less expensive units.

Texas is projected to have the fourth highest growth of 65+ residents in the country between 2000 and 2030. This results in an estimated 59.8% population growth of Texans age 65 and older. Oddly, they are competing for the same housing stock as the Gen Y group (35 and younger). They are looking for smaller, more convenient, closer in, more affordable housing. As you can see on the slide, these types of housing in Austin are seeing the greatest demand and the greatest reduction in inventory.

Imagine Austin lays the groundwork for more housing stock appropriate for the changing demographics of the typical household.

In conclusion, we cannot see the future, but we can see the trends. Austin must have a plan, a map to lead us in the direction of allowing smart growth while maintaining affordability. Imagine Austin is that guide that gives us a path to follow with the flexibility the adapt to the changing needs of a city that has drawn the attention of a nation. The only way we lose ourselves is to venture into the unknown without a vision for our goals and a way to achieve them while maintaining affordability so everyone can enjoy and partake of what makes Austin so great.

Impacts of Imagine Austin on Housing Affordability

It is a Seller's Market Residential Sales Report

A RESEARCH TOOL PROVIDED BY THE AUSTIN BOARD OF REALTORS®



April 2012

Sometimes the best answers aren't right under your nose. For example, the most popular market indicator is home prices. But prices are what we call a lagging indicator, because they reflect closed sales. Leading indicators are forward-looking. Watch activity related to list price received at sale, days on market and months supply of inventory to see how sellers might be regaining their pricing power. Favorable supply-demand trends may be ticking away from the buyer for the first time in years. Moral of the story: Price is but a single picture in the gallery.

New Listings in the Austin region decreased 1.8 percent to 3,690. Pending Sales were up 34.8 percent to 2,841. Inventory levels shrank 26.8 percent to 8,679 units.

Prices enjoyed a boost. The Median Sales Price increased 8.0 percent to \$205,000. Days on Market was down 21.2 percent to 64 days. The supply-demand balance stabilized as Months Supply of Inventory was down 42.1 percent to 4.4 months.

When monitoring residential real estate activity, it is always important to keep tabs on the overall economy and job growth. Preliminary Q1-2012 GDP growth came in at 2.2 percent, which, while disappointing to some observers and slower than Q4-2011, still signals economic expansion and not contraction. Expedited bank processing and easing lending standards are also encouraging developments.

Quick Facts

+8.1%

+ 8.0%

- 26.8%

Change in Closed Sales Change in Median Sales Price Change in Inventory

2
3
4
5
6
7
8
9
10
11
12

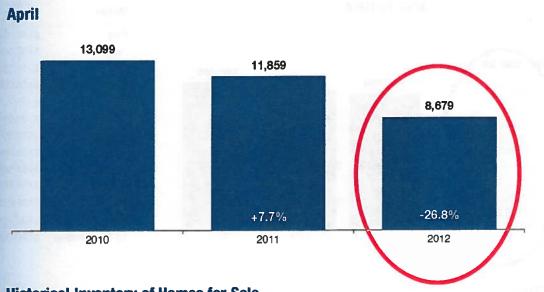
Click on desired metric to jump to that page

Inventory Down 26.8%

Inventory of Homes for Sale

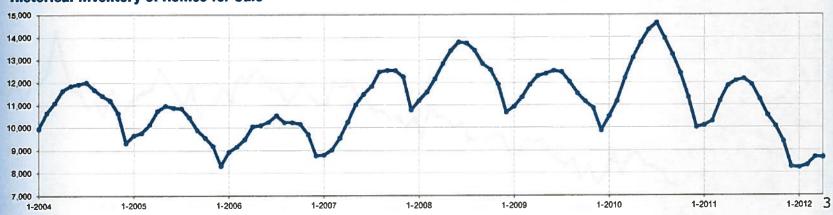
The number of properties available for sale in active status at the end of a given month.





Month	Prior Year	Current Year	+/-
May	13,780	12,075	-12.4%
June	14,348	12,155	-15.3%
July	14,646	11,905	-18.7%
August	13,967	11,259	-19.4%
September	13,249	10,551	-20.4%
October	12,416	10,064	-18.9%
November	11,347	9,388	-17.3%
December	10,015	8,267	-17.5%
January	10,098	8,227	-18.5%
February	10.285	8,335	-19.0%
March	11,183	8,692	-22.3%
April	11,859	8,679	-26.8%
12-Month Avg	12,266	9,966	-18.9%

Historical Inventory of Homes for Sale

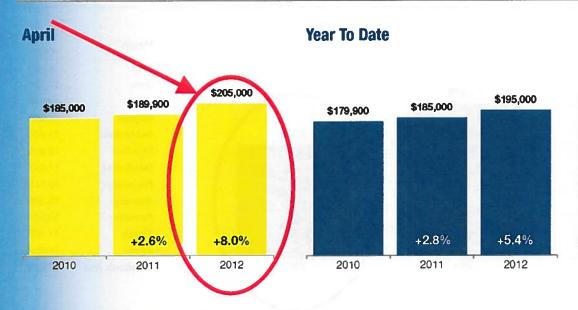


Median Sales Price UP 8.0%

Median Sales Price

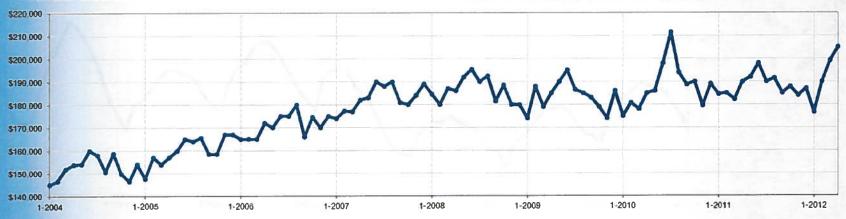
Salaian price point for all closed sales, not accounting for seller concessions, in a given month.





Month	Prior Year	Current Year	+/-		
May	\$186,000	\$192,000	+3.2%		
June	\$198,000	\$198,000	0.0%		
July	\$211,555	\$190,000	-10.2%		
August	\$194,000	\$191,500	-1.3%		
September	\$188,731	\$185,000	-2.0%		
October	\$190,000	\$187,785	-1.2%		
November	\$179,500	\$184,000	+2.5%		
December	\$189,000	\$187,000	-1.1%		
January	\$184,500	\$176,700	-4.2%		
February	\$185,000	\$190,000	+2.7%		
March	\$182,250	\$199,101	+9.2%		
April	\$189,900	\$205,000	+8.0%		
12-Mo. Median	\$190,000	\$190,539	+0.3%		

Historical Median Sales Price



Transportation's Impact on Affordability

 By decreasing the number and length of automobile trips and by making public transit more efficient and more available, we reduce transportation expenses for more households

The USA's 10 worst metro areas for traffic congestion (2010 ranking in parentheses)

- 1. Honolulu (1)
- 2. Los Angeles (2)
- 3. San Francisco (6)
- 4. New York (3)
- 5. Bridgeport, Conn. (5)
- 6. Washington, D.C. (4)
- 7. Seattle (8)
- 8. Austin (14)
- 9. Boston (9)
- 10. Chicago (7)

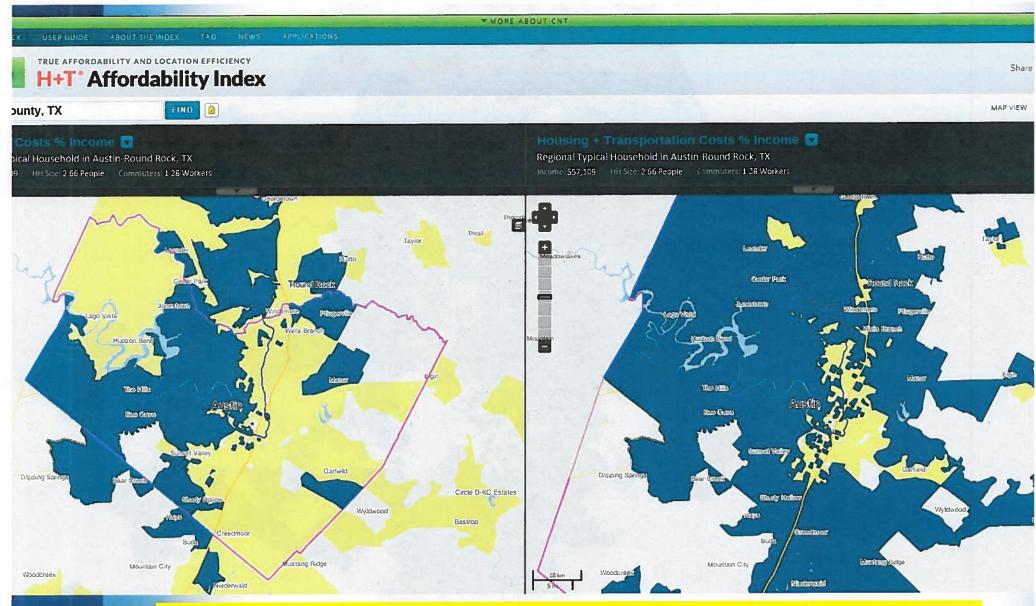
fordability Index Without Transportation Costs



fordability Index WITH Transportation Cos



Affordability Comparison

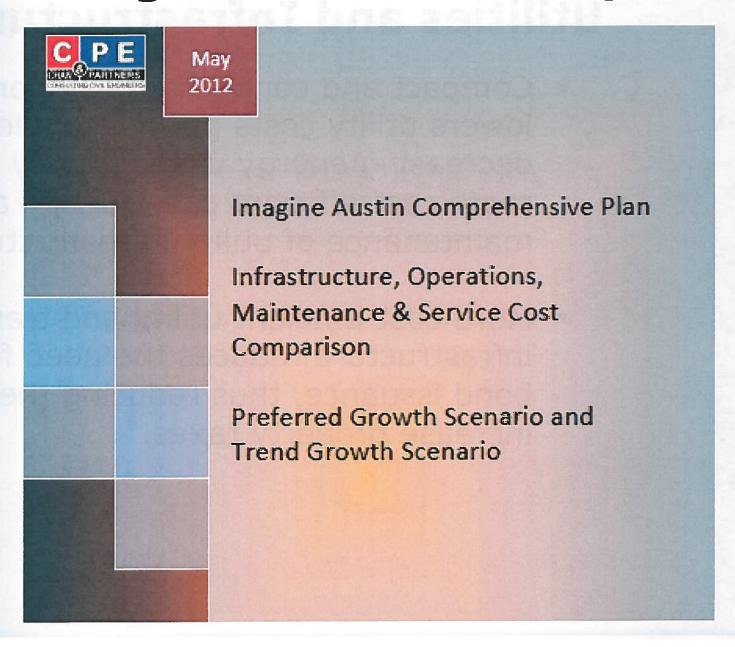


Yellow is Considered Affordable

Utilities and Infrastructure

- Compact and connected development also lowers utility costs per household by decreasing energy usage and by allowing far more cost-efficient construction and maintenance of utility infrastructure
- More cost-efficient utility and transportation infrastructure reduces the need for additional bond issuance, thus reducing the pressure to increase property taxes.

Imagine Austin Cost Report



Cost of NOT implementing Imagine Austin

assumes that over the next thirty years, approximately 19,000 additional acres (29.7 square miles) will be consumed by urban "Greenfield" development in the trend growth scenario. The infrastructure cost estimates were based on recent Austin area infrastructure bid costs, and Austin Performance Measure budget costs were used to calculate operations, maintenance and service costs. Given the unknowns associated with determining planning level costs for future projects and services over a thirty-year planning period (without performing preliminary engineering or design), an estimated cost range was generated. The low end of the range assumes that the differential costs for the City of Austin to provide infrastructure, operations, maintenance and services between the trend and preferred growth scenarios will be much lower. Conversely, the high end of the range assumes that the differential in costs between the two scenarios will be much higher.

The preliminary estimates project that the costs for the City of Austin of providing public infrastructure and services under the trend growth scenario will be between \$4.8 billion and \$21.5 billion higher than the preferred growth scenario over the thirty-year planning period. These results are summarized on Table 1-1. All costs related to the trend growth scenario represent an increase in cost over and above the cost of the preferred growth scenario, with the exception of regional transportation costs. The reason for this is that the preferred growth scenario includes a comprehensive transit network and associated infrastructure costs. The trend scenario includes a far less extensive transit network.

The actual degree to which the City of Austin would incur additional costs to provide infrastructure and services associated with the nearly 19,000 acres of additional land consumed in the trend growth scenario over the next 30 years depends upon many factors. The primary factors used to calculate the infrastructure and services cost ranges include:

Inventory of Homes for Sale

11,859

All Price Ranges

8,679

- 26.8%



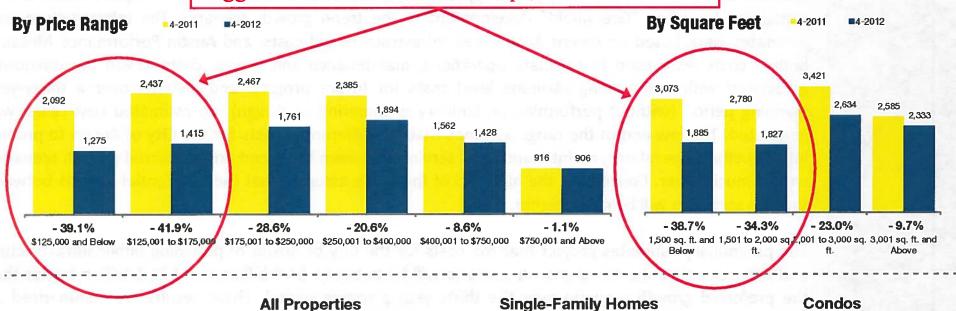
937

- 36.8%

1,482

The number of properties available for sale in active status at the end of the most recent month. Based on one month of activity.

Biggest Demand: Under 2000 sqft, under \$175,000



By Price Range	4-2011	4-2012	Change	4-2011	4-2012	Change	4-2011	4-2012	Change
\$125,000 and Below	2,092	1,275	- 39.1%	1,678	1,067	- 36.4%	406	200	- 50.7%
\$125,001 to \$175,000	2,437	1,415	- 41.9%	2,118	1,226	- 42.1%	315	180	- 42.9%
\$175,001 to \$250,000	2,467	1,761	- 28.6%	2,146	1,552	- 27.7%	319	203	- 36.4%
\$250,001 to \$400,000	2,385	1,894	- 20.6%	2,097	1,680	- 19.9%	286	205	- 28.3%
\$400,001 to \$750,000	1,562	1,428	- 8.6%	1,438	1,319	- 8.3%	120	106	- 11.7%
\$750.001 and Above	916	906	- 1.1%	876	863	- 1.5%	36	43	+ 19.4%

10,353

7,707

- 25.6%

By Square Feet	4-2011	4-2012	Change	4-2011	4-2012	Change	4-2011	4-2012	Change
1,500 sq. ft. and Below	3,073	1,885	- 38.7%	2,054	1,291	- 37.1%	1,010	584	- 42.2%
1,501 to 2,000 sq. ft.	2,780	1,827	- 34.3%	2,457	1,616	- 34.2%	321	201	- 37.4%
2,001 to 3,000 sq. ft.	3,421	2,634	- 23.0%	3,285	2,494	- 24.1%	125	T30	+ 4.0%
3,001 sq. ft. and Above	2,585	2,333	- 9.7%	2,557	2,306	- 9.8%	26	22	- 15.4%
All Square Footage	11,859	8,679	- 26.8%	10,353	7,707	- 25.6%	1,482	937	- 36.8%